INERTIA STEEL LIMITED

Regd. off.: 422, TULSIANI CHAMBER, NARIMAN POINT, MUMBAI – 400021

NOTICE

NOTICE IS HEREBY GIVEN THAT 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INERTIA STEEL LIMITED WILL BE HELD AT ITS REGISTERED OFFICE SITUATED AT 422, TULSIANI CHAMBER, NARIMAN POINT, MUMBAI – 400 021 ON MONDAY 30TH SEPTEMBER, 2013 AT 12.30 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as on 31st March 2013, the Profit & Loss account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint Auditors for the current year.

3. To appoint Director in place of Mr. Hari Gopal Joshi, Director retiring by rotation and being eligible offers himself for re - appointment.

For and on behalf of the Board

Date: 14.08.2013

Place: Mumbai

Inertia Steel Limited

Hari Gopal Joshi
(Director)

Notes:

1. A Member entitled to attend & vote at the meeting is entitled to appoint a proxy to attend & vote instead of himself & such a proxy need not be a member of the Company.

2. The Instrument appointing Proxy should be deposited at the registered office of the Company not less than forty- eight hours before the commencement of the meeting.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2013 to 30th September, 2013 (both days inclusive).

INERTIA STEEL LIMITED

Regd. off.: 422, TULSIANI CHAMBER, NARIMAN POINT, MUMBAI – 400021

DIRECTORS' REPORT

To the Members

The Directors herewith presents the 29th Annual Report on the business and operations of your company together with audited accounts for the year ended 31st March, 2013.

Financial Results

The summary of financial results of your company is as under:

(Amount in Rs.)

Particulars	2012-13	2011-12
Total Income	1,00,500	1,88,680
Total Expenditure	92,008	6,34,835
Profit/(Loss) for the year	8,492	(4,46,155)
Provision for tax	2,700	5,300
Net profit/(loss) after tax	5,792	(4,51,455)

Dividend

With a view to conserve the resources of the company, the board of directors do not recommend any dividend for the year under review.

Auditors Report

The Report of Auditors of the Company is self explanatory and the Board offers no further explanation.

Deposits

The Company has not accepted any deposits covered u/s 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 during the financial year under scrutiny.

Directors

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Shri Hari Gopal Jishi, Director retires by rotation and is eligible for re-appointment.

Director's Responsibility Statement

Pursuant to sub-section (2AA) of Section 217 of the Companies, Act, 1956, the Board of Directors of the company hereby state and confirm that:

i) All the applicable accounting standards have been followed along with proper explanations relating to material departures in the preparation of the accounts enclosed herewith.

ii) Annual accounts are prepared on the principle of a Going Concern.

Inertia Steel Limited

iii) Accounting policies selected, applied and judgments and estimates made in that behalf to the extent necessary are reasonable and prudent so as to give true and fair view of the state of affairs at the end of the financial year and of the profit or loss of the company for the year under review.

iv) Sufficient care has been taken for maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and the procedures, practices and control systems in the day-to-day management are sound enough to prevent and detect the occurrence of frauds and irregularities.

Compliance certificate

In accordance with the requirements of Section 383A of the Companies Act, 1956, Certificate from practicing Company Secretary, is enclosed certifying that all the legal requirements, in respect of the Company for the year ended 31st March, 2013 have been complied with.

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As the Company does not own an undertaking, where manufacturing operations are carried out, the information to be furnished u/s 217 (1)(e) of the Companies Act, 1956 regarding technology absorption and energy conservation are not applicable.

Similarly there were no foreign exchange earnings and outgo during the year under review.

Particulars of Employees

During the year under review, none of the employees of the company have received remuneration in excess of limits specified in Section 217(2A) of the Companies Act.

Auditors

M/s Kaloti & Lathiya., Chartered Accountants, the auditor of the Company retires at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The members are requested to appoint auditors for the current year and fix the remuneration.

Acknowledgement

Your Directors take this opportunity to place on record their great appreciation and gratitude for the whole-hearted support, assistance, co-operation and valuable guidance that has been forthcoming from all those who are associated with the operations of the Company during the period under review.

On behalf of the Board of Directors

Inertia Steel Limited

Place: Mumbai
Date: 14.08.2013

(Hari Gopal Joshi)
Chairman

Office : 4, Konark Villa Apartment,
Behind Gopal Cultural Hall,
Osmanpura, Aurangabad - 431 005.
Tel. : (0) (0240) 2342268
(R.) : 2352359 Cell : 9822333325
E - mail : bajajsnbajaj@rediffmail.com

Kaloti & Lathiya
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To
The Members of Inertia Steel Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Inertia Steel Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2013 and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including, Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

M/S. KALOTI & LATHIYA AURANGABAD CHARTERED ACCOUNTANTS

considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -

i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
ii. In the case of the Statement of Profit & Loss , of the profit for the year ended on that date; and
iii. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

   a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;



c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;

e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

For **Kaloti & Lathiya**
Chartered Accountants
(Registration No. : 104589W)



Sanjeev N. Bajaj
Membership No. – 107678

Place: Mumbai
Dated: 30.05.2013

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of our report on other legal and regulatory requirements of even date)

As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further report that:-

i. The Company does not have any Fixed Assets, hence clause 4(1) of the Companies Auditor's Report) Order, 2003 is not applicable to the Company.

ii. The Company does not have any Inventory, hence clause 4(ii) of the Companies Auditor's Report) Order, 2003 is not applicable to the Company.

iii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from one party listed in the register maintained under Section 301 of the Companies Act, 1956 in respect of which maximum amount involved during the year was Rs. 0.19 lacs and the year end balance was Rs.0.19 lacs..

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

v. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.

In our opinion all these transactions have been made at prices which are reasonable having regard to prevailing market prices at reasonable time.



vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable for the year under audit.

vii. The paid up capital of the company was less than Rs.50.00 lacs as at the commencement of the financial year and average annual turnover for the period was not in excess of Rs. 5.00 Crores, hence the internal audit system is not applicable to the company.

viii. According to the information and explanations given to us, the maintenance of cost records is not applicable to the company.

ix. According to the information and explanations given to us in respect of statutory dues:

(a) The company has generally been regular in depositing undisputed statutory dues, including Income tax, Sales tax, Wealth tax, Service tax, and any other statutory dues with the appropriate authorities during the year except in few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.

x. The Company has accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit. The Company has incurred cash loss in the immediately preceding financial year.

xi. Based on our audit procedures and information and explanations given by the management, we are of the opinion that as on 31st March, 2013 the Company has not defaulted in repayment of dues to banks and financial institutions.

xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.



xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities & other investments.

xv. According to the information and explanations given to us, the Company has not given any corporate guarantees for loan taken by others from a banks or financial institutions.

xvi. According to the information and explanations given to us, the Company has not obtained any term loans during the year.

xvii. On the basis of review of utilization of funds, which is based on overall examination of the balance sheet of the Company as at 31st March, 2013, related information's as made available to us and as represented to us, by the management, we are of the opinion, that no funds raised on short term basis have been utilized for long term purposes.

xviii. During the year, the Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

xix. The Company has not issued any debentures and hence provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

xx. During the year covered by our report the company has not raised any money by public issue.

xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

For **Kaloti & Lathiya**
Chartered Accountants
(Registration No. : 104589W)



Sanjeev N. Bajaj
Membership No. – 107678
Place: Mumbai
Dated: 30.05.2013

INERTIA STEEL LIMITED
BALANCE SHEET AS AT 31ST MARCH 2013

PARTICULARS	NOTES	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	2,488,000	2,488,000
(b) Reserves and Surplus	3	(292,932)	(298,724)
		2,195,068	2,189,276
(2) Current Liabilities			
(a) Short-term borrowings	4	19,000	19,000
(b) Other current liabilities	5	8,489,676	7,476,693
(c) Short-term provisions	6	30,224	35,246
		8,538,900	7,530,939
	TOTAL	**10,733,968**	**9,720,215**
ASSETS			
(1) Non-current assets			
(a) Long term loans and advances	7	1,283,156	1,283,156
		1,283,156	1,283,156
(2) Current assets			
(a) Trade receivables	8	1,358,905	1,258,405
(b) Cash and cash equivalents	9	1,268,607	275,354
(c) Short-term loans and advances	10	6,823,300	6,903,300
		9,450,812	8,437,059
	TOTAL	**10,733,968**	**9,720,215**
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 20		

For and on behalf of the Board of Directors

S.J.AJMERA
Director

H.G. JOSHI
Director

As per our report of even date attached.
For KALOTI & LATHIYA
Chartered Accountants.
(Firm Reg No. : 104589W)

M/S. KALOTI & LATHIYA AURANGABAD. CHARTERED ACCOUNTANTS

SANJEEV N.BAJAJ
Partner
M.No. 107678

Place : Mumbai
Dated : 30-05-2013

INERTIA STEEL LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	NOTES	Year ended 31.03.2013 Rs.	Year ended 31.03.2012 Rs.
INCOME			
Revenue from operations	11	100,500	188,680
TOTAL		**100,500**	**188,680**
EXPENDITURE			
Administrative & Other expenses	12	92,008	634,835
TOTAL		**92,008**	**634,835**
Profit /(Loss) before tax		8,492	(446,155)
Tax Expenses:			
Provision for -Current Tax		2,700	5,300
Profit / (Loss) after Tax		5,792	(451,455)
Earning Per Equity Share	13		
Basic & Diluted (Face Value of Rs. 10/- Each)		0.02	(1.81)
Significant Accounting Policies	**1**		
Notes on Financial Statements	**2 to 20**		

For and on behalf of the Board of Directors

S.J.AJMERA
Director

H.G. JOSHI
Director

As per our report of even date attached.
For KALOTI & LATHIYA
Chartered Accountants.
(Firm Reg No. : 104589W)

M/S. KALOTI & LATHIYA AURANGABAD. CHARTERED ACCOUNTANTS

SANJEEV N.BAJAJ
Partner
M.No. 107678

Place : Mumbai
Dated : 30-05-2013

INERTIA STEEL LIMITED

CASH FLOW STATEMENT

	31.03.2013 (Rs.)	31.03.2012 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Profit and Loss Account	8,492	(446,155)
ADJUSTED FOR		
Depreciation	-	-
Interest / Dividend	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	**8,492**	**(446,155)**
ADJUSTMENTS FOR		
Increase in Trade and Other Receivables	(20,500)	(6,574,930)
Increase in Trade Payables & Other Liabilities	1,005,261	7,196,299
Direct Taxes Paid	-	(3,774)
CASH FLOW FROM OPERATING ACTIVITIES	**993,253**	**171,440**
B. CASH FLOW FROM INVESTING ACTIVITES		
Purchase of Fixed Assets	-	-
CASH FLOW FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIIVITIES		
Proceeds from Borrowings	-	-
CASH FLOW FROM FINANCING ACTIIVITIES	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	**993,253**	**171,440**
Add: Cash and Cash Equivalents (Opening Balance)	275,354	103,914
Cash and Cash Equivalents (Closing Balance)	**1,268,607**	**275,354**

i. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

ii. Figures in brackets indicate Outflows.

iii. Previous Year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

On behalf of the Board Of Directors.

S.J.AJMERA
Director

H.G. JOSHI
Director

As per our report of even date
For Kaloti & Lathiya
Chartered Accountants.
(Firm Reg No. : 104589W)

M/S. KALOTI & LATHIYA · AURANGABAD · CHARTERED ACCOUNTANTS

SANJEEV N.BAJAJ
Partner
M.No. 107678

Place : Mumbai
Dated : 30-05-2013

NOTE 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF ACCOUNTING :
The Financial Statements are prepared under the historic cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act. 1956.

1.02 REVENUE RECOGNITION :
Income and expenses are recognised on an accrual basis. Revenue from services is recognized when it is earned and no significant uncertainty exists as to its ultimate collection.

1.03 PROVISION FOR CURRENT TAX AND DEFERRED TAX :
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. The Company has no Deferred Tax Liability.

1.04 In the opinion of the Board, Current Assets, Loan and advances are approximately of the value stated. if realised in the ordinary course of business. The provisions for all known liablities is adequate and neither in excess nor in short of the amount reasonably necessary.

M/S. KALOTI & LATHIYA
AURANGABAD.
CHARTERED ACCOUNTANTS

NOTE : 2
SHARE CAPITAL

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
a) Authorised :		
2,50,000 (2,50,000) Equity shares of Rs.10/- each	2,500,000	2,500,000
	2,500,000	**2,500,000**
b) Issued, Subscribed & Fully Paid-up		
2,48,800 (2,48,800) Equity shares of Rs.10/- each fully paid up	2,488,000	2,488,000
TOTAL	**2,488,000**	**2,488,000**

c) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance at the beginning of the year	248,800	2,488,000	248,800	2,488,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	248,800	2,488,000	248,800	2,488,000

d) Rights of Equity Shareholders

The company is having only one class of equity shares having face value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% shares in the company

Name of Shareholders	As at 31st March 2013		As at 31st March 2012	
	Nos	% of Holding	Nos	% of Holding
	NIL	NIL	NIL	NIL

M/S. KALOTI & LATHIYA AURANGABAD. CHARTERED ACCOUNTANTS

NOTE : 3
RESERVES AND SURPLUS

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Surplus / (Deficit)		
Balance as per last Balance Sheet	(298,724)	152,731
Add : Profit / (Loss) for the year	5,792	(451,455)
Net Surplus / (Deficit)		
TOTAL	**(292,932)**	**(298,724)**

NOTE : 4
SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Short-tems borrowings		
Unsecured		
From Related Parties*		
	19,000	19,000
TOTAL	**19,000**	**19,000**

* Refer Note No. 20 for details of related parties.

NOTE : 5
OTHER CURRENT LIABLITIES

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Other payables		
To Others	8,489,676	7,476,693
TOTAL	**8,489,676**	**7,476,693**

M/S. KALOTI & LATHIYA · CHARTERED ACCOUNTANTS · AURANGABAD.

NOTE : 6
SHORT TERM PROVISIONS

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Provision for Expenses	-	7,722
Provision for Income Tax	30,224	27,524
TOTAL	**30,224**	**35,246**

NOTE : 7
LONG TERM LOANS AND ADVANCES

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Unsecured considered good		
Capital Advances	1,283,156	1,283,156
TOTAL	**1,283,156**	**1,283,156**

NOTE : 8
TRADE RECEIVABLES

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Unsecured, considered good and subject to confirmation		
Outstanding for a period exceeding six months	1,325,405	1,069,725
Other Receivables	33,500	188,680
TOTAL	**1,358,905**	**1,258,405**



NOTE : 9
CASH AND BANK BALANCES

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	1,219,493	256,240
Cash on hand	49,114	19,114
TOTAL	**1,268,607**	**275,354**

NOTE : 10
SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Unsecured and considered good		
Advance Income-tax	10,314	10,314
Loans and advances*	6,812,986	6,892,986
TOTAL	**6,823,300**	**6,903,300**

* Refer Note No. 20 for details of related parties.



NOTE : 11
REVENUE FROM OPERATIONS

PARTICULARS	Year ended 31.03.2013	Year ended 31.03.2012
	Rs.	Rs.
Revenue from Operations		
Other operating revenues	100,500	188,680
TOTAL	**100,500**	**188,680**

NOTE : 12
ADMINISTRATIVE & OTHER EXPENSES

PARTICULARS	Year ended 31.03.2013	Year ended 31.03.2012
	Rs.	Rs.
Professional Charges	15,733	98,352
ROC Filing Fees	6,500	2,540
Listing Fees	16,854	17,450
Audit Fees	13,483	13,483
Legal Expenses	29,213	486,320
Printing & Stationery	100	368
Bank charges	4,778	276
Miscellaneous expenses	5,347	16,046
TOTAL	**92,008**	**634,835**

NOTE : 13
EARNING PER SHARE

PARTICULARS	Year ended 31.03.2013	Year ended 31.03.2012
Net Profit/(Loss) for the year	5,792	(451,455)
Weighted average number of equity shares (Nos.)	248,800	248,800
Basic and Diluted Earnings Per Share of Rs.10/- each	0.02	(1.81)

NOTES TO ACCOUNTS :

14. There are no contingent liabilities.

15. In the opinion of the board, Current Assets are approximately of the value stated if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount considered reasonably necessary.

16. The Company has no Deferred Tax Liability as on 31st March, 2013.

	As At 31.03.2013	As At 31.03.2012
17. a) Earnings in Foreign Exchange	NIL	(NIL)
b) Expenditure / remittance in foreign exchange	NIL	(NIL)

18. There is no separate reportable segment within the meaning of Accounting Standard 17 issued by Institute of Chartered Accountants of India.

19. Previous Year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary to make them comparable with those of current year.

20. RELATED PARTY DISCLOSURES :

A. List of related parties :
(As certified by the Company)

I. Key Management Personnel
Shri Hari Gopal Joshi
Shri Suresh J. Ajmera
Shri Dhanesh B. Ajmera

II. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year:

Nine Star Plastic Packaging Services Private Limited
Anurag Sales & Services Private Limited
Avon Sales & Services Private Limited
Apex Spinning Mills Private Limited
Jayaswal Neco Metallics Private Limited

M/S. KALOTI & LATHIYA AURANGABAD CHARTERED ACCOUNTANTS

B. Transactions with Related Parties :

(Amount in Rs.)

Nature of transaction	Associate Company	Key Management Personnel & Relatives	Other Related Parties	Total
Unsecured Loan				
Balance as on 31st March 2013	-	**19,000**	-	**19,000**
	(-)	(19,000)	(-)	(19,000)
Advances				
Given during the year	-	-	-	-
	(-)	(-)	(5,165,132)	(5,165,132)
Received during the year	-	-	-	-
	(-)	(-)	(200,000)	(200,000)
Balance as on 31st March 2013	-	-	**5,003,132**	**5,003,132**
	(-)	(-)	(5,003,132)	(5,003,132)

Note : Figures in brackets represent previous year's amounts.

C. Details of major transactions with Related Parties :

Nature of Transactions	Company Name	31.03.2013	31.03.2012
Unsecured Loans			
Balance as on 31st March 2013	Director	19,000	19,000
Advances-given during the year	Anurag Sales and Services Private Limited	-	1,493,729
	Apex Spinning Mills Private Limited	-	1,253,696
	Avon Sales & Services Private Limited	-	1,243,196
	Jayaswal Neco Metallics Private Limited	-	29,809
	Nine Star Plastic Packaging Private Limited	-	1,144,702
Advances-received during the year	Avon Sales & Services Private Limited	-	200,000
Advances -	Anurag Sales and Services Private Limited	1,501,229	1,501,229
Balance as on 31st March 2013	Apex Spinning Mills Private Limited	1,260,696	1,260,696
	Avon Sales & Services Private Limited	1,050,696	1,050,696
	Jayaswal Neco Metallics Private Limited	38,309	38,309
	Nine Star Plastic Packaging Private Limited	1,152,202	1,152,202

On behalf of the Board Of Directors.

S.J.AJMERA
Director

H.G. JOSHI
Director

As per our report of even date
For Kaloti & Lathiya
Chartered Accountants.
(Firm Reg No. : 104589W)

M/S. KALOTI & LATHIYA AURANGABAD. CHARTERED ACCOUNTANTS

SANJEEV N.BAJAJ
Partner
M.No. 107678

Place : Mumbai
Dated : 30-05-2013

COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES

FORM A

1.	Name of the Company:	**INERTIA STEEL LIMITED**
2.	Annual Financial Statements for the year ended	**31st March, 2013**
3.	Type of Audit observation	**Un-qualified**
4.	Frequency of observation	**Not Applicable**

For and on behalf of the Board of Directors

S.J. AJMERA
Director

Inertia Steel Limited

H.G. JOSHI
Director

For Kaloti & Lathiya
Chartered Accountants
(Firm Reg. No. 104589W)

M/S. KALOTI & LATHIYA AURANGABAD CHARTERED ACCOUNTANTS

Sanjeev Bajaj
Partner
M. No. 107678